

CITY OF ROCKVILLE
FINANCIAL ADVISORY BOARD

DATE: March 16, 2017
Red Maple Conference Room, 2nd Floor City Hall
TIME: 7:00PM

Board Meeting
MINUTES

PRESENT: Board Members: Len Briskman, Jack Kelly (Chair), Andrey Ostrovsky, Eric Strong, Bob Wright

Staff Liaison: Stacey Webster

Absent: Beryl Feinberg, Mayor and Council Liaison; Almon Turner, Board Member; Michael Onyemelukwe, Board Member

The meeting commenced at 7:01 p.m.

I. Discussion of the FY 2018 Proposed Budget

Mr. Kelly said that the purpose of the meeting is to come up with some draft recommendations to bring to the Mayor and Council on April 3, 2017.

Mr. Kelly discussed the new format of the budget document (which started in FY 2016) and said that he enjoys the new structure, but there is still room for improvement. His experience is from the federal government and he believes the federal government's presentation of budget information is more comprehensive.

Mr. Kelly handed out a spreadsheet that combined operating and CIP budgets by fund and department. Mr. Strong commented on the helpfulness of the spreadsheet. Ms. Webster said that she is working with her staff to incorporate the information presented in Mr. Kelly's chart, but in a more accessible, user friendly format.

Mr. Strong commented on the carry over funding in the CIP. He would like to see a summary of the carry over amounts by project. Ms. Webster agreed that this information in a summary format is missing, and offered to discuss this with budget staff to see how it could be incorporated into the adopted book.

Mr. Strong also noted the absence of language in the department sections related to the utility funds being out of compliance. Ms. Webster pointed out that this type of information is included in the summary sections, but not in the individual department sections. Mr. Strong said that it might be helpful to include it in the individual department sections to help provide context about the services being provided.

Dr. Ostrovsky discussed streamlining the performance measures and short-term objectives throughout the budget document. He asked the Board to think about what measures are helpful for the Rockville community and the Mayor and Council. Dr. Ostrovsky met with the Rockville Police Department to discuss their performance measures, and plans to continue working with them to improve their measures. He recognizes that this is a longer-term project, but proposed the following for the Police Department: 1) review all measures and delete the measures that have no value (“just taking up space”), and 2) identify the Rockville Police Department’s role versus the County’s role in answering calls for service, reducing overall crime rates, etc. within the corporate boundaries.

Mr. Strong asked if there is a formula that departments use to develop their performance measures and short-term objectives. Ms. Webster mentioned that all performance measures and short-term objectives are tied to a goal, which relates back to a Mayor and Council critical success factor. Mr. Briskman said that if the Board makes revisions they should operate within that framework.

All members agreed that tackling all performance measures for FY 2018 would be overwhelming, and decided to look at this as a longer-term project.

Mr. Wright discussed the type of measures the City uses, mentioning process-based versus outcome-based measures. Members of the Board then asked, what type of information is most helpful for the Mayor and Council and Rockville community.

Ms. Webster cautioned about providing too much information in the actual budget document, given that the document is already 400 pages. The Board discussed the possibility of having a second document, or separate performance report, specifically addressing performance measurement. The Board was curious about the City Manager’s appetite to add resources (people or contract funding) for performance measurement.

Mr. Strong asked where he could find the policies that govern the enterprise funds. Ms. Webster pointed him to the Financial Management Policies and the Fund Summaries sections.

Mr. Kelly asked Ms. Webster if there are any specific improvements that she would like to see in the budget document. Ms. Webster acknowledged that some of the performance measures could be better defined (less clutter, more meaningful measures).

Mr. Briskman briefly discussed some elements of the Cost Allocation Plan. Over the past couple of weeks, he spent some time reviewing the information that Ms. Dawson gave him. In general, he has some concerns about the increases in the total utility fund allocations over the years. The Board agreed that the CAP would be a priority project over the next year.

Mr. Kelly wrapped up the discussion by asking the Board members to continue to review the budget document and to bring recommendations for the Board’s consideration to the next Board meeting on March 28, 2017.

II. Future Agendas

The next meeting is scheduled for **March 28, 2017**, and will include the following:

- I. Finalize FY 2018 Budget Recommendations
- II. Future Agendas

Action Item:

- Mr. Kelly asked the Board to continue to review the budget document and to bring recommendations for the Board's consideration to the next Board meeting on March 28, 2017.

Mr. Strong made a motion to adjourn. Mr. Briskman seconded the motion and all voted in favor.

The meeting adjourned at 8:58 p.m.